

May 16, 2005

Townsend Star and Helena IR

RE: Legal Notice on Reclamation Bond Increase for Spokane Minerals, LTD.

Dear Editor:

Please run the following Legal Notice in your next issue:

LEGAL NOTICE

The Montana Department of Environmental Quality (DEQ) is conducting a five-year bond review for Spokane Minerals, LTD's (Spokane) limestone quarry 5.2 miles northeast of Winston, MT. The quarry is permitted under Operating Permit 00155 from DEQ which was issued in 1994. The five-year bond review procedures are set forth in Section 82-4-338, MCA, of the Montana Metal Mine Reclamation Act.

The quarry has been inactive for over 6 years. The quarry is on private land in sections 11 and 14 in Township 9 North and Range 1 West in Broadwater County.

Spokane has a 47-acre permit area of which 26 acres are permitted for disturbance. Current disturbance at the mine is 16.5 acres. DEQ currently holds a reclamation bond of \$47,000. DEQ has determined as part of the bond review process that an increase in the bond is required to guarantee reclamation of the current disturbance at the site.

DEQ calculated a preliminary bond determination of \$75,064 that would cover higher equipment and labor costs. DEQ published the proposed bond determination in the local papers. Comments were received from the company. DEQ has calculated a final bond determination of \$65,548 to cover reclamation costs based on review of the company's comments.

DEQ is publishing the final bond amount of \$65,548 in local newspapers and issuing a press release. Spokane must post bond no later than 30 days after issuance of the final bond determination. DEQ is required to grant a 30-day extension of the deadline if Spokane demonstrates that, through the exercise of due diligence, it will not be able to post the bond within 30 days.

Finally, Spokane may request a hearing pursuant to Section 82-4-338(3), MCA. If Spokane fails to post bond in accordance with these procedures, the operating permit is suspended by operation of law and Spokane would be required to immediately cease mining until the bond is posted and approved by DEQ.

A copy of the bond calculations that form the basis for the final bond determination can be obtained by contacting the Montana Department of Environmental Quality, Environmental Management Bureau, P. O. Box 200901, 1520 E. Sixth Ave., Helena, MT 59620-0901, or by calling Patrick Plantenberg at (406) 444-4960 or e-mail at pplantenberg@mt.gov.

Please attach an affidavit of publication, with an original tear sheet for the run date, to your invoice and send them to:

Department of Environmental Quality
Environmental Management Bureau
1520 East 6th Avenue
PO Box 200901
Helena MT 59620-0901

Please charge to DEQ # 535315, and reference EMB - 5035170

Sincerely,

Patrick Plantenberg
Operating Permit Section Supervisor
Environmental Management Bureau

cc: Jackie Windon, DEQ
Charles Freshman, DEQ

file: 00155.37 and .10
G:\emb\op\corres\pp\spokanefinalbndlegal.doc
PP/sf